THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. J. KURIEN): (a) to (c) In pursuance of the decision contained in the Statement on Industrial Policy tabled in both Houses of Parliament on 24th July, 1991, Government have constituted the Foreign Investment Promotion Board on 22nd August, 1991. The objective of the Board is to invite and facilitate investment in India by international companies in projects of benefit to the Indian economy and which do not fall within the parameters of the existing policy for clearance of foreign investment proposals. The Board has so far cleared two proposals.

In the initial months of its setting up, the Board has been engaged in discussing investment possibilities with a number of foreign companies which are in the process of submitting formal investment proposals to the Board.

It is too early to assess the working of the Board.

Setting up of Foreign Investment Promotion Board

3203. SHRI B. K. HARIPRASAD: Will the PRIME MINISTER be pleased to state:

(a) whether Foreign Investment Promotion Board has been recently set up for foreign investments in industries in India and if so, the details thereof; and

(b) whether it is a fact that Karnataka has a vast potential in Electronics, Computer, Tele-communication, Power, Newsprint, Heavy and Light Engineering, Fisheries, Food Processing, Leather and Pharmaceuticals and whether the foreign investments will be suitably channalised in Karnataka?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. J. KURIEN): (a) and (b) In pursuance of the decision contained in para 39 B(v) of the Statement on Industrial Policy tabled in both Houses of Parliament on 24th July, 1991, Government have constituted the Foreign Investment Promotion Board on 22nd August, 1991. The objective of the Board is to invite and facilitate investment in India by international companies in projects of benefit to the Indian economy and which do not fall within the parameters of the existing policy for clearance of foreign investment proposals.

Any proposal for foreign investment in any unit in Karnataka will be considered on the merits of the proposal under the existing guidelines.

Foreign Investment Promotion Board functioning

3204. KUMARI CHANDRIKA PREMJI KENIA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Foreign Investment Promotion Board is functioning at the Centre; if so, the authority under which it is working and what are its functions; and

(b) when it was set up and what is its composition?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. J. KURIEN): (a) and (b) In pursuance of the decision contained in para 39 B(v) of the Statement on Industrial Policy tabled in both Houses of Parliament on 24th July, 1991, Government have constituted the Foreign Investment Promotion Board on 22nd August, 1991. The composition and functions of the Board are as under:-

(i) Composition: The Board comprises of the following:—

(i) Principal Secretary to Prime Minister.

(ii) Finance Secretary

(iii) Commerce Secretary

(iv) Secretary, Industrial Development

(ii) Functions: The functions of the Board shall comprise mainly of:—